

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: : Chapter 11
: .
LOEHMANN'S HOLDINGS INC., *et al.*, : Case No. 13-14050 (MG)
: .
Debtors. : (Jointly Administered)
: .
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**ORDER DENYING WITHOUT PREJUDICE THE DEBTORS' MOTION FOR AN
ORDER AUTHORIZING IMPLEMENTATION OF KEY EMPLOYEE INCENTIVE
PLAN FOR CERTAIN INSIDERS**

Before the Court is the *Debtors' Motion for an Order Pursuant to Sections 105(a), 363(b) and 503(c) of the Bankruptcy Code Authorizing (I) Implementation of Key Employee Incentive Plan for Certain Insiders, and (II) Payment of Any Obligations Arising Thereunder as Administrative Expenses* (the "Motion," ECF Doc. # 87). In support of the Motion, the Debtors rely upon and incorporate by reference the Declaration of William Thayer in Support of the Debtors' Chapter 11 Petitions and First Day Pleadings (the "Thayer Decl.," ECF Doc. # 19) and submit the Declaration of Michael Appel (the "Appel Decl.," ECF Doc. # 87-3). The United States Trustee (the "UST") opposed the Motion (ECF Doc. # 124) and the Debtors filed a response (ECF Doc. # 188).

On January 7, 2014, the Court held a hearing and determined that an evidentiary hearing was necessary to consider the Motion. The Debtors presented additional declarations in support of the Motion, including the Declaration of Lee Dierks (ECF Doc. # 206), the Declaration of Mindy Novack (ECF Doc. # 207), the Declaration of Kristopher Hansen (ECF Doc. # 208), and the Declaration of William Thayer (ECF Doc. # 210). Whippoorwill Associates, Inc. and the

Official Committee of Unsecured Creditors filed statements in support of the Motion (ECF Doc. ## 204, 209).

The UST continued to object to the Motion. For the reasons stated on the record, the Motion is **DENIED WITHOUT PREJUDICE**.

IT IS SO ORDERED.

Dated: January 10, 2014
New York, New York

/s/Martin Glenn
MARTIN GLENN
United States Bankruptcy Judge